

CITY OF EUREKA
STATEMENT OF NET ASSETS
June 30, 2006

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 13,086,069	\$ 5,625,708	\$ 18,711,777
Accounts receivable	3,885,415	1,591,075	5,476,490
Interest receivable	633,733	80,983	714,716
Prepaid items	28,993	19,004	47,997
Notes and loans receivable	7,130,210		7,130,210
Internal balances	(10,245,462)	10,245,462	
Land held for resale	4,613,178		4,613,178
Restricted cash and investments with fiscal agents	117	3,946,317	3,946,434
Restricted cash and investments		648,947	648,947
Deferred charges, net of accumulated amortization	810,148	1,186,521	1,996,669
Capital assets, not being depreciated	36,566,670	21,223,003	57,789,673
Capital assets, being depreciated, net of accumulated depreciation	39,246,277	50,807,976	90,054,253
Total Assets	95,755,348	95,374,996	191,130,344
LIABILITIES			
Accounts payable	1,596,714	745,448	2,342,162
Deposits payable	105,300	133,316	238,616
Accrued interest payable	124,026	310,039	434,065
Claims and judgements payable	221,446		221,446
Unearned revenue	3,811		3,811
Noncurrent liabilities:			
Due within one year	681,009	696,261	1,377,270
Due in more than one year	17,277,219	19,867,582	37,144,801
Total Liabilities	20,009,525	21,752,646	41,762,171
NET ASSETS			
Invested in capital assets, net of related debt	60,629,134	56,739,394	117,368,528
Restricted for:			
Public safety	570,045		570,045
Streets and roads	946,963		946,963
Projects	200,142	3,946,317	4,146,459
Housing	11,838,556		11,838,556
Debt service		521,417	521,417
Airport	190,628		190,628
Unrestricted	1,370,355	12,415,222	13,785,577
Total Net assets	\$ 75,745,823	\$ 73,622,350	\$ 149,368,173

The notes to the basic financial statements are an integral part of this statement

CITY OF EUREKA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

		Program Revenues		
		Charges for	Operating	Capital Grants
	Expenses	Services	Grants and	and Grants
			Contributions	Contributions
Primary government:				
Governmental activities:				
General government	\$ (3,530,892)	\$ 1,292,354	\$ 17,395	\$ -
Public safety	(11,715,731)	558,071	514,980	81,909
Community development	(3,198,428)	156,886	564,394	723,247
Culture - recreation	(1,997,492)	570,242	53,600	274,726
Public works	(2,631,869)	64,931	694,773	718,567
Interest on long-term debt	(1,998,632)			
Unallocated depreciation	(1,789,798)			
Total Governmental	<u>(26,862,842)</u>	<u>2,642,484</u>	<u>1,845,142</u>	<u>1,798,449</u>
Business-type activities:				
Water	(3,643,896)	5,140,318		
Wastewater	(4,755,559)	4,748,497		272,728
Harbor	(1,103,056)	608,903		
Building	(472,560)	462,135		
Transit	(1,692,494)	1,301,965		
Golf	<u>(17,066)</u>	<u>37,862</u>		
Total Business-Type Activities	<u>(11,684,631)</u>	<u>12,299,680</u>		<u>272,728</u>
Total	<u>\$ (38,547,473)</u>	<u>\$ 14,942,164</u>	<u>\$ 1,845,142</u>	<u>\$ 2,071,177</u>

General Revenues:

Property taxes
Sales taxes
Transient occupancy tax
Utility user's tax
Business license tax
Permits and franchise tax
Investment income
Motor vehicle in-lieu, unrestricted
Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net assets - beginning

Prior period adjustments

Net Assets - beginning, restated

Net Assets - ending

The notes to the basic financial statements are an integral part of this statement

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (2,221,143)	\$ -	\$ (2,221,143)
(10,560,771)		(10,560,771)
(1,753,901)		(1,753,901)
(1,098,924)		(1,098,924)
(1,153,598)		(1,153,598)
(1,998,632)		(1,998,632)
(1,789,798)		(1,789,798)
<u>(20,576,767)</u>		<u>(20,576,767)</u>
	1,496,422	1,496,422
	265,666	265,666
	(494,153)	(494,153)
	(10,425)	(10,425)
	(390,529)	(390,529)
	<u>20,796</u>	<u>20,796</u>
	<u>887,777</u>	<u>887,777</u>
<u>(20,576,767)</u>	<u>887,777</u>	<u>(19,688,990)</u>
5,135,206		5,135,206
9,278,077		9,278,077
1,463,487		1,463,487
1,518,672		1,518,672
243,106		243,106
747,954		747,954
1,561,018	742,297	2,303,315
1,907,041		1,907,041
270,050		270,050
<u>(2,602,206)</u>	<u>2,602,206</u>	
<u>19,522,405</u>	<u>3,344,503</u>	<u>22,866,908</u>
<u>(1,054,362)</u>	<u>4,232,280</u>	<u>3,177,918</u>
76,382,603	69,339,179	145,721,782
<u>417,582</u>	<u>50,891</u>	<u>468,473</u>
<u>76,800,185</u>	<u>69,390,070</u>	<u>146,190,255</u>
<u>\$ 75,745,823</u>	<u>\$ 73,622,350</u>	<u>\$ 149,368,173</u>

CITY OF EUREKA
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2006

	General	Housing	Low and Moderate Income Housing
ASSETS			
Cash and investments	\$ 387,629	\$ 932,940	\$ 3,997,088
Cash and investments with fiscal agents			
Accounts receivable	2,794,585	66,445	
Interest receivable	3,167	11,537	46,373
Prepaid items	8,993		
Notes and loans receivable		2,811,752	3,747,495
Due from other funds	51,968		
Advances to other funds	4,721,175	122,520	
Land held for resale			
Total Assets	<u>\$ 7,967,517</u>	<u>\$ 3,945,194</u>	<u>\$ 7,790,956</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 775,468	\$ 78,861	\$ 7,195
Due to other funds			
Intergovernmental payable		282,812	
Deposits payable	39,500		
Unearned revenue	141,530	24,917	676,434
Advances from other funds	122,520		
Total Liabilities	<u>1,079,018</u>	<u>386,590</u>	<u>683,629</u>
Fund Balances:			
Reserved for parking	28,000		
Reserved for notes and loans receivables		2,506,310	3,085,545
Reserved for prepaid items	8,993		
Reserved for low/moderate income housing			4,021,782
Reserved for advances	4,721,175	122,520	
Reserved for land held for resale			
Reserved for debt service			
Unreserved reported in:			
General fund	2,130,331		
Special revenue funds		929,774	
Capital projects funds			
Debt service funds			
Total Fund Balances	<u>6,888,499</u>	<u>3,558,604</u>	<u>7,107,327</u>
Total Liabilities and Fund Balances	<u>\$ 7,967,517</u>	<u>\$ 3,945,194</u>	<u>\$ 7,790,956</u>

The notes to the basic financial statements are an integral part of this statement

Redevelopment Agency Debt Service	Redevelopment Agency Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 370,455	\$ 2,587,772	\$ 1,639,169	\$ 9,915,053
		117	117
122,120	20,600	876,586	3,880,336
9,954	37,820	16,511	125,362
			8,993
	570,963		7,130,210
			51,968
			4,843,695
	4,613,178		4,613,178
<u>\$ 502,529</u>	<u>\$ 7,830,333</u>	<u>\$ 2,532,383</u>	<u>\$ 30,568,912</u>
\$ 111,249	\$ 62,010	\$ 37,378	\$ 1,072,161
		748,439	748,439
			282,812
		65,800	105,300
50,965			893,846
14,270,166			14,392,686
<u>14,432,380</u>	<u>62,010</u>	<u>851,617</u>	<u>17,495,244</u>
			28,000
	570,963		6,162,818
			8,993
			4,021,782
			4,843,695
	4,613,178		4,613,178
		117	117
			2,130,331
		1,663,209	2,592,983
	2,584,182		2,584,182
(13,929,851)		17,440	(13,912,411)
<u>(13,929,851)</u>	<u>7,768,323</u>	<u>1,680,766</u>	<u>13,073,668</u>
<u>\$ 502,529</u>	<u>\$ 7,830,333</u>	<u>\$ 2,532,383</u>	<u>\$ 30,568,912</u>

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF EUREKA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENTS OF NET ASSETS
June 30, 2006

Fund balances of governmental funds		\$ 13,073,668
-------------------------------------	--	---------------

Amounts reported for Governmental Activities in the Statement of Net Assets are different from those reported in the Governmental Funds because of the following:

Capital assets used in Governmental Activities are not current resources and, therefore, are not reported in the Governmental Funds Balance Sheet.

Capital assets	\$ 136,467,693	
Less: accumulated depreciation	<u>(60,654,746)</u>	75,812,947

Deferred charges represent costs associated with the issuance of long-term debt which are deferred and amortized over the period during which the debt is outstanding. The costs are reported as expenditures of current financial resources in the governmental funds.

Deferred charges	1,006,204	
Less: accumulated amortization	<u>(196,056)</u>	810,148

Interest payable on long-term debt does not require current financial resources, therefore, interest payable is not reported as a liability in the Governmental Funds Balance Sheet.	(124,026)
--	-----------

The liabilities below are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet.

Compensated absences	(818,560)	
Net pension obligation	(1,145,707)	
Bonds payable	(15,250,000)	
Capital lease payable	<u>(743,961)</u>	(17,958,228)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicle maintenance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets. (net capital assets, capital lease payable, and compensated absences reported above in the amount of \$1,811,449, \$195,001, and \$56,782 respectively.)

2,770,005

In governmental funds, other long-term assets includes accounts receivable and interest receivable on taxes and accounts receivable are not available to pay for current-period expenditures, and therefore, are offset by unearned revenue.

890,035

In governmental funds, other long-term asset are not available to pay for current-period expenditures:

Interest receivable on loans receivable	<u>471,274</u>
---	----------------

Net assets of governmental activities	<u><u>\$ 75,745,823</u></u>
---------------------------------------	-----------------------------

The notes to the basic financial statements are an integral part of this statement

CITY OF EUREKA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2006

	General	Housing	Low and Moderate Income Housing
REVENUES			
Taxes	\$ 13,945,641	\$ -	\$ -
Licenses, permits, and fees	829,070		
Fines and penalties	210,893		
Investment income	88,646	78,845	470,197
Intergovernmental	2,251,734	408,155	
Charges for services	2,323,742	5,405	
Other revenues	254,353		117,966
Total Revenues	19,904,079	492,405	588,163
EXPENDITURES			
Current:			
General government	3,533,578		
Public safety	11,162,525		
Public works	2,562,566		
Community development	459,397	615,913	327,285
Culture and recreation	1,911,252		
Capital outlay	513,299		
Debt service:			
Principal payments	493,827		
Interest and fiscal charges	9,324		
Total Expenditures	20,645,768	615,913	327,285
Excess of Revenues Over (Under) Expenditures	(741,689)	(123,508)	260,878
OTHER FINANCING SOURCES (USES)			
Transfers in	349,524		774,381
Transfers out	(1,673,674)		
Proceeds from capital lease	399,946		
Total Other Financing Sources (Uses)	(924,204)		774,381
Net Change in Fund Balances	(1,665,893)	(123,508)	1,035,259
Fund Balances, July 1, 2005	8,889,810	3,682,112	6,072,068
Prior Period Adjustments	(335,418)		
Fund Balances, July 1, 2005, restated	8,554,392	3,682,112	6,072,068
Fund Balances, June 30, 2006	\$ 6,888,499	\$ 3,558,604	\$ 7,107,327

The notes to the basic financial statements are an integral part of this statement

Redevelopment Agency Debt Service	Redevelopment Agency Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 3,936,997	\$ -	\$ -	\$ 17,882,638
			829,070
			210,893
108,143	(2,268)	794,753	1,538,316
7,847		2,557,831	5,225,567
		105,975	2,435,122
			372,319
4,052,987	(2,268)	3,458,559	28,493,925
			3,533,578
		403,250	11,565,775
		11,333	2,573,899
1,738,705	88,477	107,050	3,336,827
			1,911,252
	2,266,219	1,441,418	4,220,936
		11,926	505,753
1,123,695		775,998	1,909,017
2,862,400	2,354,696	2,750,975	29,557,037
1,190,587	(2,356,964)	707,584	(1,063,112)
1,508,000	5,083,179	8,144	7,723,228
(5,857,560)	(2,444,676)	(349,524)	(10,325,434)
			399,946
(4,349,560)	2,638,503	(341,380)	(2,202,260)
(3,158,973)	281,539	366,204	(3,265,372)
(10,770,878)	7,291,713	1,314,562	16,479,387
	195,071		(140,347)
(10,770,878)	7,486,784	1,314,562	16,339,040
\$ (13,929,851)	\$ 7,768,323	\$ 1,680,766	\$ 13,073,668

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF EUREKA
RECONCILIATION OF THE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES **\$ (3,265,372)**

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated lives and reported as depreciation expense.

Capital outlay expenditures are therefore added back to fund balances	\$ 4,220,936	
Depreciation expense not reported in governmental funds	<u>(2,104,074)</u>	2,116,862

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Costs associated with the issuance of long-term debt are reported as expenditures in the governmental funds, but in the Statement of Net Assets, the costs are deferred and amortized throughout the period during which the related debt is outstanding. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Assets the repayment reduces long-term liabilities.

Repayment of debt principal is added back to fund balance - Leases	80,753	
Amortization of deferred charges	(71,293)	
Reduction in net pension obligation	664,305	
Proceeds from issue of capital lease	<u>(399,946)</u>	273,819

The amounts below included in the Statement of Activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):

Interest payable	(7,539)	
Accrued interest receivable	30,219	
Compensated absences	5,440	
Accounts receivable	<u>(244,573)</u>	(216,453)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicle maintenance, to individual funds. The net revenue (expense) of the internal service funds is reported with the governmental activities.

36,782

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES **\$ (1,054,362)**

The notes to the basic financial statements are an integral part of this statement

**CITY OF EUREKA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
June 30, 2006**

	Enterprise Funds		
	Water	Wastewater	Harbor
ASSETS			
Current Assets:			
Cash and investments	\$ 2,389,781	\$ 2,576,183	\$ 105
Cash and investments with fiscal agents	3,678,424	267,893	
Accounts receivable - net	775,359	766,864	33,602
Interest receivable	33,705	39,587	
Prepaid items		19,004	
Due from other funds	696,471	1,012,860	
Total current assets	<u>7,573,740</u>	<u>4,682,391</u>	<u>33,707</u>
Noncurrent Assets:			
Restricted cash and investments			648,947
Deferred charges, net of amortization	1,054,084	132,437	
Advances to other funds	429,024	9,150,644	
Total noncurrent assets	<u>1,483,108</u>	<u>9,283,081</u>	<u>648,947</u>
Capital Assets:			
Nondepreciable			
Land	1,052,115	4,398,439	5,157,957
Construction in progress	7,292,228	2,801,085	30,347
Total nondepreciable capital assets	<u>8,344,343</u>	<u>7,199,524</u>	<u>5,188,304</u>
Depreciable			
Infrastructure	1,298,154	3,729,369	
Buildings	170,796	5,810,652	4,646,614
Improvements	4,679,936	18,903,716	10,577,025
Equipment	13,088,892	31,767,855	1,093,823
Total depreciable capital assets	<u>19,237,778</u>	<u>60,211,592</u>	<u>16,317,462</u>
Less accumulated depreciation	<u>(7,922,551)</u>	<u>(32,444,094)</u>	<u>(5,216,167)</u>
Net depreciable capital assets	<u>11,315,227</u>	<u>27,767,498</u>	<u>11,101,295</u>
Total capital assets, net	<u>19,659,570</u>	<u>34,967,022</u>	<u>16,289,599</u>
Total capital and noncurrent assets	<u>21,142,678</u>	<u>44,250,103</u>	<u>16,938,546</u>
Total Assets	<u>28,716,418</u>	<u>48,932,494</u>	<u>16,972,253</u>

The notes to the basic financial statements are an integral part of this statement

Enterprise Funds				Governmental Activities - Internal Service Funds
Building	Transit	Golf	Totals	
\$ 362,743	\$ 151,733	\$ 145,163	\$ 5,625,708	\$ 3,171,016
			3,946,317	
7,294	7,956		1,591,075	5,079
4,298	1,810	1,583	80,983	37,097
			19,004	20,000
			1,709,331	
374,335	161,499	146,746	12,972,418	3,233,192
			648,947	
			1,186,521	
			9,579,668	
			11,415,136	
		418,075	11,026,586	
		72,757	10,196,417	
		490,832	21,223,003	
			5,027,523	
		50,244	10,678,306	429,246
		243,087	34,403,764	42,399
63,450	2,300,353		48,314,373	6,774,119
63,450	2,300,353	293,331	98,423,966	7,245,764
(10,506)	(1,830,571)	(192,101)	(47,615,990)	(5,434,315)
52,944	469,782	101,230	50,807,976	1,811,449
52,944	469,782	592,062	72,030,979	1,811,449
52,944	469,782	592,062	83,446,115	1,811,449
427,279	631,281	738,808	96,418,533	5,044,641

(Continued)

CITY OF EUREKA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
June 30, 2006
(Continued)

	Enterprise Funds		
	Water	Wastewater	Harbor
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 234,226	\$ 393,228	\$ 61,026
Deposits payable	133,316		
Due to other funds			1,012,860
Accrued interest payable	143,487	39,022	127,530
Claims and judgements payable			
Capital lease payable, current portion	391,961	155,678	134,261
Total current liabilities	902,990	587,928	1,335,677
Noncurrent Liabilities:			
Advances from other funds			30,677
Capital lease payable			
Notes payable			2,402,380
Bonds payable	13,098,718	3,620,000	700,000
Compensated absences	13,480	22,839	2,973
Total noncurrent liabilities	13,112,198	3,642,839	3,136,030
Total Liabilities	14,015,188	4,230,767	4,471,707
NET ASSETS			
Investment in capital assets, net of related debt	10,928,360	31,637,352	13,058,894
Restricted for debt service			521,417
Restricted for projects	3,678,424	267,893	
Unrestricted	94,446	12,796,482	(1,079,765)
Total Net Assets	\$ 14,701,230	\$ 44,701,727	\$ 12,500,546

The notes to the basic financial statements are an integral part of this statement

Enterprise Funds				Governmental Activities - Internal Service Funds
Building	Transit	Golf	Totals	
\$ 8,269	\$ 48,699	\$ -	\$ 745,448	\$ 241,741
			133,316	
			1,012,860	
			310,039	
				221,446
12962	1,399		696,261	63,536
21,231	50,098		2,897,924	526,723
			30,677	
				131,465
			2,402,380	
			17,418,718	
6,491	701		46,484	56,782
6,491	701		19,898,259	188,247
27,722	50,799		22,796,183	714,970
52,944	469,782	592,062	56,739,394	1,616,448
			521,417	
			3,946,317	
346,613	110,700	146,746	12,415,222	2,713,223
\$ 399,557	\$ 580,482	\$ 738,808	\$ 73,622,350	\$ 4,329,671

**CITY OF EUREKA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET ASSETS
For the Fiscal Year Ended June 30, 2006**

	Enterprise Funds		
	Water	Wastewater	Harbor
Operating Revenues:			
Charges for services	\$ 5,128,153	\$ 4,279,156	\$ 608,903
Other operating revenues	12,165	36,143	
Intergovernmental		433,198	
Total Operating Revenues	5,140,318	4,748,497	608,903
Operating Expenses:			
Purchase of water	992,211		
Maintenance and operation	1,409,868	2,655,392	464,425
Administration	417,098	437,427	56,966
Insurance costs and claims	41,956	54,932	31,367
Depreciation	292,946	1,442,372	368,237
Total Operating Expenses	3,154,079	4,590,123	920,995
Operating Income (Loss)	1,986,239	158,374	(312,092)
Non-Operating Revenues (Expenses):			
Investment income (expense)	305,567	422,993	18,740
Interest expense	(489,817)	(165,436)	(182,061)
Total Non-Operating Income (Loss)	(184,250)	257,557	(163,321)
Income (Loss) Before Contributions and Transfers	1,801,989	415,931	(475,413)
Transfers in		2,344,676	100,000
Contributions		272,728	
Change in Net Assets	1,801,989	3,033,335	(375,413)
Net Assets, July 1, 2005	12,899,241	41,668,392	12,875,959
Prior Period Adjustments			
Net Assets, July 1, 2005, restated	12,899,241	41,668,392	12,875,959
Net Assets, June 30, 2006	\$ 14,701,230	\$ 44,701,727	\$ 12,500,546

The notes to the basic financial statements are an integral part of this statement

Enterprise Funds				Governmental Activities- Internal Service Funds
Building	Transit	Golf	Totals	
\$ 435,271	\$ 292,949	\$ 37,862	\$ 10,782,294	\$ 4,050,077
3,360			51,668	159,234
23,504	1,009,016		1,465,718	
462,135	1,301,965	37,862	12,299,680	4,209,311
			992,211	
419,422	1,539,838	835	6,489,780	2,204,162
40,973	19,606	3,966	976,036	197,852
5,503	46,227	294	180,279	1,443,799
6,662	86,823	11,971	2,209,011	313,720
472,560	1,692,494	17,066	10,847,317	4,159,533
(10,425)	(390,529)	20,796	1,452,363	49,778
5,319	(13,135)	2,813	742,297	(2,213)
			(837,314)	(10,783)
5,319	(13,135)	2,813	(95,017)	(12,996)
(5,106)	(403,664)	23,609	1,357,346	36,782
42,530	115,000		2,602,206	
			272,728	
37,424	(288,664)	23,609	4,232,280	36,782
362,133	869,146	664,308	69,339,179	4,326,616
		50,891	50,891	(33,727)
362,133	869,146	715,199	69,390,070	4,292,889
<u>\$ 399,557</u>	<u>\$ 580,482</u>	<u>\$ 738,808</u>	<u>\$ 73,622,350</u>	<u>\$ 4,329,671</u>

CITY OF EUREKA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2006

	Enterprise Funds		
	Water	Wastewater	Harbor
Cash Flows from Operating Activities:			
Receipts from customers/interfund charges	\$ 4,274,492	\$ 4,599,197	\$ 592,113
Payments to suppliers and users	(2,180,467)	(1,578,831)	(118,450)
Payments to employees	(754,134)	(1,364,081)	(214,268)
Net Cash Provided (Used) by Operating Activities	1,339,891	1,656,285	259,395
Cash Flows from Non-Capital Financing Activities:			
Transfers in (out)		2,344,676	100,000
Advances to/from other funds	(20,407)	(2,651,062)	
Net Cash Provided (Used) by Non-Capital Financing Activities	(20,407)	(306,386)	100,000
Cash Flows from Capital and Related Financing Activities:			
Acquisitions of capital assets	(881,815)	(2,413,020)	(43,163)
Interest paid	(456,987)	(165,298)	(195,191)
Principal payments - long-term debt	(7,695,000)	(515,000)	(120,598)
Proceeds from issuance of long-term debt	9,248,903		
Net Cash Provided (Used) by Capital and Related Financing Activities	215,101	(3,093,318)	(358,952)
Cash Flows from Investing Activities:			
Interest received	290,919	522,601	18,740
Net Cash Provided (Used) by Investing Activities	290,919	522,601	18,740
Net Increase (Decrease) in Cash and Cash Equivalents	1,825,504	(1,220,818)	19,183
Cash and Cash Equivalents, July 1, 2005	4,242,701	4,064,894	629,869
Cash and Cash Equivalents, June 30, 2006	<u>\$ 6,068,205</u>	<u>\$ 2,844,076</u>	<u>\$ 649,052</u>
Noncash Transactions			
Capital contributions	\$ -	\$ 272,728	\$ -
Amortization of deferred charges	34,788	6,020	
Reconciliation of Cash and Cash Equivalents To Statement of Net Assets			
Cash and investments	\$ 2,389,781	\$ 2,576,183	\$ 105
Cash and investments with fiscal agents	3,678,424	267,893	
Restricted cash and investments			648,947
Total Cash and Cash Equivalents	<u>\$ 6,068,205</u>	<u>\$ 2,844,076</u>	<u>\$ 649,052</u>

The notes to the basic financial statements are an integral part of this statement

Enterprise Funds				Governmental Activities - Internal Service Funds
Building	Transit	Golf	Totals	
\$ 497,562	\$ 1,657,014	\$ 37,862	\$ 11,658,240	\$ 4,205,940
(178,399)	(1,562,432)	(5,095)	(5,623,674)	(3,059,726)
(286,887)	(32,764)		(2,652,134)	(673,366)
32,276	61,818	32,767	3,382,432	472,848
42,530	115,000		2,602,206	
			(2,671,469)	
42,530	115,000		(69,263)	
(30,592)	(10,140)	(21,867)	(3,400,597)	(321,226)
			(817,476)	(10,783)
			(8,330,598)	(68,882)
			9,248,903	
(30,592)	(10,140)	(21,867)	(3,299,768)	(400,891)
1,021	(14,945)	1,230	819,566	921
1,021	(14,945)	1,230	819,566	921
45,235	151,733	12,130	832,967	72,878
317,508		133,033	9,388,005	3,098,138
<u>\$ 362,743</u>	<u>\$ 151,733</u>	<u>\$ 145,163</u>	<u>\$ 10,220,972</u>	<u>\$ 3,171,016</u>
\$ -	\$ -	\$ -	\$ 272,728	\$ -
			40,808	
\$ 362,743	\$ 151,733	\$ 145,163	\$ 5,625,708	\$ 3,171,016
			3,946,317	
			648,947	
<u>\$ 362,743</u>	<u>\$ 151,733</u>	<u>\$ 145,163</u>	<u>\$ 10,220,972</u>	<u>\$ 3,171,016</u>

(Continued)

**CITY OF EUREKA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 For the Fiscal Year Ended June 30, 2006
 (Continued)**

	<u>Enterprise Funds</u>		
	<u>Water</u>	<u>Wastewater</u>	<u>Harbor</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 1,986,239	\$ 158,374	\$ (312,092)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	292,946	1,442,372	368,237
(Increase) Decrease in Operating Assets:			
Accounts receivable	(173,788)	(375,719)	(16,790)
Due from other funds	(696,471)	226,419	
Increase (Decrease) in Operating Liabilities:			
Accounts payable	(89,905)	184,005	11,491
Due to other funds			214,023
Compensated absences	16,437	20,834	(5,474)
Deposits payable	4,433		
Claims and judgments payable			
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,339,891</u>	<u>\$ 1,656,285</u>	<u>\$ 259,395</u>

The notes to the basic financial statements are an integral part of this statement

Enterprise Funds				Governmental Activities - Internal Service Funds
Building	Transit	Golf	Totals	
\$ (10,425)	\$ (390,529)	\$ 20,796	\$ 1,452,363	\$ 49,778
6,662	86,823	11,971	2,209,011	313,720
35,427	795,491		264,621 (470,052)	(3,371)
(1,791)	8,375		112,175	(23,582)
	(440,442)		(226,419)	
2,403	2,100		36,300	5,302
			4,433	
				131,001
<u>\$ 32,276</u>	<u>\$ 61,818</u>	<u>\$ 32,767</u>	<u>\$ 3,382,432</u>	<u>\$ 472,848</u>

CITY OF EUREKA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2006

	Agency Fund	Trust Funds	
		Pension Fire and Police Pension Benefits Plan	Private-Purpose Haz/Mat Response Authority
	Trust Holding		
ASSETS			
Cash and investments	\$ 358,826	\$ 898,760	\$ 87,180
Interest receivable	4,298	10,406	905
Accounts receivable			1,375
Total Assets	363,124	909,166	89,460
LIABILITIES			
Accounts payable	72,325	4,843	
Deposits payable	290,799		
Total Liabilities	363,124	4,843	
Net Assets			
Held in trust for pension benefits and other purposes		904,323	89,460
Total Net Assets	\$ -	\$ 904,323	\$ 89,460

The notes to the basic financial statements are an integral part of this statement

CITY OF EUREKA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2006

	Trust Funds	
	Pension Fire and Police Pension Benefits Plan	Private-Purpose Haz/Mat Response Authority
ADDITIONS		
Contributions:		
Employer	\$ 425,000	\$ -
JPA members		63,181
Charges for Services		1,566
Investment earnings:		
Investment income	54,026	2,442
Total Additions	479,026	67,189
DEDUCTIONS		
Public safety		63,181
Benefits	470,249	
Administrative expenses	9,213	
Total Deductions	479,462	63,181
Change in net assets	(436)	4,008
Net assets - July 1, 2005	904,759	85,452
Net assets - June 30, 2006	\$ 904,323	\$ 89,460

The notes to the basic financial statements are an integral part of this statement

THIS PAGE INTENTIONALLY LEFT BLANK